



# Department of Justice

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## **DEPARTMENT OF DEFENSE CONTRACTOR PLEADS GUILTY TO CONSPIRACIES TO STEAL INFORMATION RELATED TO FUEL SUPPLY CONTRACTS**

WASHINGTON — A U.S. Department of Defense (DOD) contractor from Baltimore pleaded guilty today to conspiring to steal competitive information concerning contracts to supply fuel to DOD aircraft at locations worldwide, the Department of Justice announced.

Matthew W. Bittenbender has entered into a plea agreement, filed in U.S. District Court in Baltimore, where he was originally charged on January 7, 2008. According to the terms of the plea agreement, which is subject to court approval, Bittenbender has agreed to cooperate in the government's investigation. At the same time Bittenbender was charged, indictments were unsealed against two other individuals, Christopher Cartwright and Paul Wilkinson, and their affiliated companies, Far East Russia Aircraft Services Inc. (FERAS) and Aerocontrol LTD, on related charges. The trials of Cartwright, Wilkinson and their affiliated companies are scheduled for July 7, 2008.

"The Antitrust Division will continue to hold accountable those who try to corrupt the federal competitive bidding process," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division.

According to the plea agreement, Bittenbender conspired to steal trade secrets from his employer Avcard, a division of Kropp Holdings LLC, and sell that information to his competitors, FERAS, and Aerocontrol. In return, Bittenbender received cash and a percentage of the profit earned on the resulting fuel supply contracts. According to the plea agreement, Cartwright, Wilkinson, FERAS and Aerocontrol, in turn, used that information to underbid Avcard at every location where the companies were bidding against each other. Avcard ultimately lost each of the contested bids.

Aviation fuel is obtained by the DOD through the Defense Energy Support Center (DESC) which lets contracts for a variety of products. The fuel is delivered worldwide to locations, including Croatia, Bulgaria and Afghanistan.

"The Defense Criminal Investigative Service (DCIS) and the Department of Justice are working together to investigate and prosecute those that try to compromise the integrity of the Department of Defense contracting system. Stealing trade secrets and providing insider information to those who should not legally possess it is something that will not be tolerated," said Robert Craig, Acting Special Agent in Charge for the DCIS Mid-Atlantic Field Office.

Bittenbender pleaded guilty to conspiring: to defraud the United States; to commit wire fraud; and to steal trade secrets. A violation of defrauding the United States carries a maximum sentence of five years of imprisonment and a fine of \$250,000. A violation of conspiring to commit wire fraud carries a maximum sentence of 20 years of imprisonment and a fine of \$250,000. A violation of conspiring to steal trade secrets carries a maximum sentence of 10 years of imprisonment and a fine of \$250,000. The fines could be increased to twice the gain from the offense or twice the loss incurred by the victims of the crime.

Today's charges are an example of the Department's commitment to protect U.S. taxpayers from public procurement fraud through its creation of the National Procurement Fraud Task Force. The National Procurement Fraud Initiative announced in October 2006 is designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in contracting activity for national security and other government programs.

The investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section and the Defense Criminal Investigative Service. Anyone with information concerning illegal conduct in the procurement of fuel or fuel services by DOD is urged to call the National Criminal Enforcement Section of the Antitrust Division at 202-307-6694 or the Baltimore Resident Agency of the Defense Criminal Investigative Service at 410-347-1625.

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